



# City of San Diego



May 1, 2003

## **Quarterly Report (January-March) Public Utilities Commission Decision 02-05-046, Rulemaking 01-08-028 Project Reference Number 284-02**

### **I. Program**

Whole House Energy Retrofit Incentive Program.

### **II. Program Description**

The *Whole House Energy Retrofit Incentive Program* (the Program) is a local residential program aimed at homeowners who reside in homes constructed before 1978. There are three sub-groups of homeowners within this market that are being targeted by the program: (1) owners who submit plans for an addition or remodel of their home, (2) hard-to-reach homeowners in lower-income areas of the City, and (3) homeowners interested in reducing their energy consumption.

The incentive program is being marketed as a comprehensive package of benefits that includes: (1) the rebates available from San Diego Gas and Electric (SDG&E), (2) information about energy efficiency, (3) design and inspection assistance from the City, and (4) an additional financial incentive offered under this program. The comprehensive incentive offered under the City's program is additive to residential energy efficiency measure incentives available from SDG&E.

The incentive program is a whole-house retrofit plan. Program applicants are currently able to take advantage of three levels of incentives depending on the extent of the retrofit work they select. The third package was approved this quarter, and will be advertised beginning April 14, 2003.

- ◆ Package 1. For homeowners who insulate their attic with R-30 insulation, install double-pane windows, install low-flow shower heads and wrap their water heaters (as appropriate) the retrofit incentive will be \$250 to \$650, depending on income level. (See Table 1 for incentive amounts for various income levels)

- ◆ Package 2. For homeowners who do all of the above and also install a new, high-efficient furnace, the retrofit incentive will be \$475 to \$875, depending on income.
- ◆ Package 3. For homeowners who insulate their attic with R-30 insulation, wrap their water heater (as appropriate), install low-e window film on all windows, and replace 50% or 10 (whichever is less) of their incandescent light bulbs with CFL bulbs, the rebate incentive will be \$300 to \$500 depending on income level.

Homeowners are responsible for selection, purchase and installation of the energy efficient materials and equipment required under this program. Information about acceptable energy efficiency levels of materials and equipment is provided in the program information brochures as well as the Program's website.

### **III. Program Summary Data**

#### **1. Aggregated Customer Information**

The customer information is available in the Q1 worksheet of the Customer Information Workbook Q1. This customer Workbook contains the information of all customers Year-To-Date as of March 31, 2003.

#### **2. Applications Received and Not Yet Paid**

Number of applications received	3
Estimated amount of incentives to be paid	\$1,400
Estimated demand and energy savings as a applicable (kW, kWh, Therms)	2kW, 666kWh, 393Therms

#### **3. Average Rebate Processing Turn-Around Time**

The average rebate processing time is 8 weeks. This quarter was spent focusing on streamlining the process, it is expected that the turn around time will improve for those applicants applying in periods after March 31.

#### **4. Total Applications Received**

Total applications received year-to-date amounts to **11** applications. Specifically during this reporting period, there were **8** new applicants, of which five have completed the installation of the measures and received rebates, and three have not yet completed the measures and have not received rebates. That is a tremendous improvement over the last two reporting periods. We expect to receive more than 8 applications during the next reporting period, with an increasing trend.

### **IV. Training**

Quarter 1 of 2003

The City of San Diego performed one training session this quarter. This was a training seminar for the Community Service Center (CSC) Managers. Similar in format to the presentation given in the previous quarter, this was approximately 30 minutes in duration and the topic was based on the new program materials. This presentation focused on training the Managers about the new package being offered by the Whole House Energy Retrofit Incentive Program (the Program). During the presentation, several managers were excited about the changes and were able to give suggestions as to planning community presentations that accomplish the goal of outreach to diverse markets for energy conservation education as well as publicizing all energy rebates.

This quarter, the City developed a strategy to solicit the help of contractors and vendors to market the Program to their customers. The City will contact a list of contractors to invite them to Program workshops. These workshops will be conducted in mid-May, and they are aimed at familiarizing contractors with the Program and at getting contractors interested in presenting our Program to their customers. In addition, the City will contact vendors who supply the materials necessary for the Whole House Program to get them interested in marketing the Program at their stores. We plan to have many meetings/training sessions with vendors at their offices.

## **V. Marketing**

### Quarter 1 of 2003

The approval of the new Package for the Program placed an emphasis on redesigning and updating Program marketing materials. Suggestions were followed by SDG&E to make clear certain information, such as eligibility dates. All recommendations were included in the new format of the marketing materials. The design of the flyer was slightly altered to give it a new and fresh appearance, but retain the basic look of the old flyer for customer recognition purposes. As these new materials are achieving internal approval, the flyer is scheduled to be printed and have 270,000 copies distributed through U.S. Mail as inserts to City of San Diego water bills. The same distribution of application packets will be followed upon internal approval of the materials.

Advertising Research was initiated regarding newspaper and radio advertisements. The City of San Diego is considering placing advertisements in these media forms once the new package material is fully produced. Additionally, the City of San Diego Environmental Services Department is creating a department-wide newsletter that will be mailed to over 300,000 citizens of San Diego. The Whole House Program has committed to buying a spot in this newsletter in hopes of bolstering new participation.

One focus of this quarter was placed on Community Presentations. This quarter one presentation was made to the Mira Mesa Branch Library, and one to a Communications Committee. In order to advertise for this, the City of San Diego created a new flyer with the special purpose of alerting the public of this energy conservation workshop. These flyers will be used as a template and adapted for each future community presentation. Library presentations are being advertised in community news papers a week in advance of the presentations to allow time for people to be aware of the presentations and time to

plan on attending. The City is giving out free light bulbs to people who attend the presentations.

Future Community Presentations are being scheduled at various Branch Libraries, Senior Centers, and Community Service Centers.

## **VI. Inspections**

### Quarter 1

There were 5 inspections successfully completed this quarter. All program participants that passed the application process were able to complete the program and receive their rebate. There were no complaints or problems with the physical inspections.

## **VII. EM&V**

### Quarter 1

The EM&V consultant, Business Economic Analysis and Research (BEAR), was officially awarded a contract with the City of San Diego for their services with the Program. The contract has successfully been executed, but the Final EM&V plan has not yet been approved, and thus there are no EM&V expenses this quarter. The reason for the delay of the EM&V Plan approval is traced to a misunderstanding. BEAR is a company owned and operated by one man who was sub-consulting with individuals who had not been pre-approved by the CPUC for EM&V consulting. This technicality put a hold on the hiring of BEAR by the City of San Diego, as the City consulted with the CPUC. The result allowed BEAR to hire the sub-consultants as direct employees and BEAR was then authorized to continue working with the City of San Diego.

## **VIII. Budget Summary**

The budget summary shown in the table below represents the expenses that have been charged to the Program year-to-date.

	CHARGED EXPENDITURES
Total Administrative Costs	\$48,913.25
Total Marketing/Advertising/Outreach Costs	\$26,427.29
Total Direct Implementation Costs	\$5,445.33
Total EM&V Costs	\$0.00
Total Other Costs	\$0.00
Expenditures Grand Total	\$80,785.87